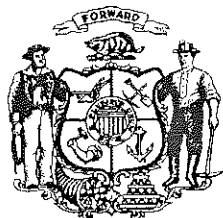


THE STATE OF WISCONSIN

SENATE CHAIR
MARK MILLER

317-E Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-9170



ASSEMBLY CHAIR
MARK POCAN

309-E Capitol
P.O. Box 8953
Madison, WI 53708-8953
Phone: (608) 266-8570

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Mark Miller
Representative Mark Pocan

Date: December 3, 2010

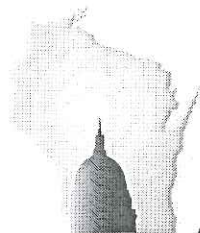
Re: Temporary Allocation of Balances Report from the Department of
Administration

Attached is a copy of a report from the Department of Administration, pursuant to s. 20.002(11)(f), Stats. The report confirms that the Department has found it necessary to exercise the "temporary reallocation of balances" authority under this section to meet payment responsibilities.

The report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

MM:MP:jm



WISCONSIN DEPARTMENT OF
ADMINISTRATION

JIM DOYLE
GOVERNOR
DANIEL J. SCHOOFF
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842

November 30, 2010

RECEIVED
DEC 03 2010

Mr. Robert Marchant, Chief Clerk
Wisconsin Senate
B20 South, State Capitol
Madison, WI 53702

BY: *St. Finance*

Mr. Patrick Fuller, Chief Clerk
Wisconsin Assembly
17 West Main Street, Room 401A
Madison, WI 53702

Dear Mr. Marchant and Mr. Fuller:

This report is transmitted as required by s. 20.002(11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172(3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of October 2010.

On October 1, 2010, the **Medical Assistance Trust Fund** cash balance closed at a negative \$1.8 million (its intra-month low). This negative balance continued through October 4, 2010, when the fund's cash balance closed at a positive \$3.4 million. The negative balance was due to the difference in the timing of revenues and expenditures.

On October 1, 2010, the **Environmental Fund** cash balance closed at a negative \$16.6 million (its intra-month low). This negative balance continued through October 4, 2010, when the fund's cash balance closed at a positive \$7.9 million. The negative balance was due to the difference in the timing of revenues and expenditures.

On October 4, 2010, the **Worker's Compensation Fund** cash balance closed at a negative \$650 thousand. This negative balance continued through October 31, 2010, when the fund's cash balance closed at a negative \$685 thousand (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

On October 4, 2010, the **Mediation Fund** cash balance closed at a negative \$12 thousand. This negative balance continued through October 31, 2010, when the fund's cash balance closed at a negative \$35 thousand (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

Mr. Robert Marchant
Mr. Patrick Fuller
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November 30, 2010

On October 4, 2010, the **Dry Cleaner Environmental Response Fund** cash balance closed at a negative \$35 thousand (its intra-month low). This negative balance continued through October 6, 2010, when the fund's cash balance closed at a positive \$244 thousand. The negative balance was due to the difference in the timing of revenues and expenditures.

The Medical Assistance Trust Fund, Environmental Fund, Worker's Compensation Fund, Mediation Fund and Dry Cleaner Environmental Response Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,

Daniel J. Schooff
Secretary